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DEPARTMENT OF STATE

[Public Notice: 8082]

Application for a Presidential Permit to Operate and Maintain Pipeline Facilities on the Border of the United States and Canada

AGENCY: Department of State

ACTION: Notice of Receipt of Application for a Presidential Permit to Operate and Maintain Pipeline Facilities on the Border of the United States and Canada.

SUMMARY: Notice is hereby given that the Department of State (DOS) has received from NOVA Chemicals Inc. (“NOVA Inc.”) an application for reinstatement of a Presidential Permit authorizing the operation and maintenance of pipeline facilities to transport natural gas liquids (“NGLs”) extending from a block valve site in St. Clair County, Michigan, near the city of Marysville to the international border between the United States and Canada

NOVA Inc. is incorporated in the State of Delaware and is a wholly-owned subsidiary of NOVA Corporation. NOVA Corporation is a company continued under the laws of the Province of New Brunswick, Canada. All of the issued and outstanding shares of NOVA Corporation are owned by a wholly owned subsidiary of the International Petroleum Investment Corporation (“IPIC”) which is wholly owned by the government of the Emirate of Abu Dhabi, United Arab Emirates.

NOVA Inc. requests the permit to operate and maintain a pipeline (“Line 20”) consisting of approximately 1350 feet of 12-inch diameter pipeline as well as certain appurtenant facilities that can accommodate the transportation of up to 65,000 barrels per day (“bpd”) of NGLs. NOVA Inc. intends to make use of the existing Line 20 pipeline facilities as one of the final links in a pipeline system that will transport NGLs (in particular, ethane) derived from gas produced in the Marcellus Shale play in Pennsylvania, Ohio, West Virginia, and neighboring states to the international boundary under the St. Clair river and onward in the Province of Ontario, Canada, to a petrochemical complex located in Corunna, Ontario. Line

20 was constructed in 1986 and owned by Polysar Hydrocarbons Inc. (“Polysar”) and its upstream owner, Polysar Energy and Chemical Corporation.

Since 1995, the Line 20 facilities have been used pursuant to lease arrangements for the transportation of natural gas under Presidential Permits which the Federal Energy Regulatory Commission (“FERC”) issued to Bluewater Gas Storage, L.L.C. (“Bluewater Gas Storage”) and a predecessor. The lease under which Bluewater Gas Storage has been operating the Line 20 facilities includes a provision permitting its termination on not less than two years’ notice. NOVA Inc. provided Bluewater Gas Storage notice that the Line 20 facilities lease will terminate effective no later than January 27, 2013. Upon termination of the lease, possession and operation of the Line 20 facilities will revert to NOVA Inc., which proposes to convert the Line 20 facilities back to NGLs transportation service.

The Department of State has concluded that the 1986 Presidential Permit expired as to the Line 20 facilities when these were converted to a natural gas transportation service and operated pursuant to a Presidential Permit issued to Bluewater Gas Storage LLC., by FERC. Because NOVA intends to place Line 20 facilities back into natural gas liquids transportation service in 2013, NOVA is seeking reinstatement of the 1986 Presidential permit on Line 20 facilities with changes reflecting its ownership of the Line 20 facilities.

Under E.O. 13337 the Secretary of State is designated and empowered to receive all applications for Presidential Permits for the construction, connection, operation, or maintenance at the borders of the United States, of facilities for the exportation or importation of liquid petroleum, petroleum products, or other non-gaseous fuels to or from a foreign country. The Department of State is circulating this application to concerned federal agencies for comment. The Department of State has the responsibility to determine whether issuance of a Presidential Permit reflecting the change in ownership or control of Line 20 and the reversion to transporting natural gas liquids would be in the U.S. national interest.

DATES: Interested parties are invited to submit comments within 30 days of the publication of this notice by e-mail to Novachemicalpermit@state.gov with regard to whether issuing a new Presidential Permit reflecting the corporate succession and authorizing NOVA, Inc. to operate and maintain Line 20 would be in the national interest. The application is available at <http://www.state.gov/e/enr/c52945.htm>

FOR FURTHER INFORMATION CONTACT: Michael Brennan, Bureau of Energy Resources , Office of Energy Diplomacy- Europe, Western Hemisphere and Africa (ENR/EDP/EWA) Department of State, Washington D.C. 20520
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U.S. Department of State

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